Copy Julie Carter Siane Holland Steve Alder RECEIVED MAN AUG 1 4 2006

DIV. OF OIL, GAS & MINING

DAVID PENNEY

P.O. Box 312 Beaver, UT 84713 (435)438-5522 ep7@xmission.com

August 10, 2006

State of Utah DOGM 1594 W. North Temple , Suite 1210 PO Box 145801 Salt Lake City, UT 84114-5801 Mary Ann Wright

RE: To Certified Letter 7004 2510 0004 1824 7784 And 7004 2510 0004 1824 7777

Dear Mrs. Wright

In response to your letter, I would like to make a written appeal to the Board of Oil Gas and Mining concerning the your finding for MC-2005-04-04 Little Spot S027024, and MC 2005-04-05, Sliver 1-2 Picasso Marble, S001035. Please provide me with the appropriate address for submitting the appeal to the board and I will forward them a copy.

Two checks will be attached to the letter to be held in escrow as requested.

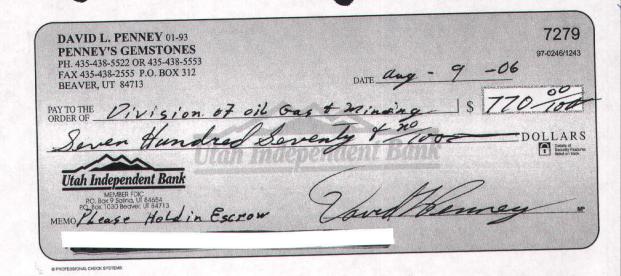
If this letter is or is not sufficient for a written appeal please respond.

Sincerely,

David L. Penney

Sent by email and USmail

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Vicki B has original chocks 8-15-06 V.S.